

19th
ANNUAL REPORT
2010-2011

LORDVEN TECHNOLOGIES LIMITED

BOARD OF DIRECTORS :

- | | |
|--------------------------------|---------------------|
| Mr. P. Obul Reddy | - Managing Director |
| Mr. A. Prabhakara Rao | - Director |
| Mr. K. Ravi Babu | - Director |
| Mr. Jagadeeswar Reddy R | - Director |

AUDITORS :

M/s. M. M. Reddy & CO.,
Chartered Accountants
Hyderabad

REGISTERED OFFICE :

Flat No 5,
Sai Master Apartments,
V.R.Nagar,
Hyderabad-500038

NOTICE

Notice is hereby given that the 19th Annual General Meeting of the members of M/s. Lordven Technologies Limited will be held on Friday the 30th September, 2011 at 11.00 A.M. at Flat No 5, Sai master Aparments, V.R.Nagar, Hyderabad-500038, to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited balance sheet as at 31st March 2011 and Profit & Loss account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. R Jagadeeswar Reddy who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

For and on Behalf of the Board
LORDVEN TECHNOLOGIES LIMITED

Sd/-

Place: Hyderabad
Date: 25.08.2011

P. Obul Reddy
Managing Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will be closed from 26.09.2011 to 30.09.2011 (Both days inclusive).
3. Members are requested to notify immediately any change in their address to the Share Transfer Agents and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.
4. Members, who hold shares in de-materialized form, are requested to bring their Client ID and DP IDs for easier identification of attendance at the meeting.
5. Members are requested to kindly bring their copies of the Annual Report to the meeting. As a measure of economy, copies of Annual Report will not be distributed at the AGM.

For and on Behalf of the Board
LORDVEN TECHNOLOGIES LIMITED

Sd/-

Place: Hyderabad
Date: 25.08.2011

P. Obul Reddy
Managing Director

DIRECTORS REPORT

Dear Shareholders,

Your Directors have pleasure in presenting 19th Annual Report of the Company for the financial year ended 31st March, 2011.

FINANCIAL RESULTS:

Particulars	2010-2011 (Rs)	2009-2010(Rs)
Income	6,06,56,220	5,37,85,650
Expenditure	5,98,01,774	5,30,99,940
Profit/(Loss) for the year	5,91,137	4,74,618
Add: Profit/(Loss) brought forward	1,60,38,086	1,55,63,468
Profit/(Loss) carried to balance sheet	1,66,29,223	1,60,38,086

OPERATIONS:

The Company has recorded a turnover of Rs.606.56 lakhs in the current year against the turnover of Rs. 537.85 lakhs in the previous financial year ending 31.03.10.

DIVIDEND:

Your directors express their inability to recommend any dividend for the financial year 2010-2011.

PUBLIC DEPOSITS:

Your Company has not accepted any deposits falling within the meaning of Sec.58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, during the financial year under review.

LISTING:

The equity shares of your company are listed on Ahmedabad Stock Exchange and Madras Stock Exchange.

DIRECTORS:

In accordance with the Companies Act, 1956 read with Articles of Association of the Company the Director namely Mr. R Jagadeeswar Reddy who retires by rotation and being eligible offers himself for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Sec.217 (2AA) of the Companies Act, 1956 the Board of Directors of your Company hereby certifies and confirms that:

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the Annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO :

The required information as per Sec.217 (1) (e) of the Companies Act 1956 is provided hereunder:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

- | | | |
|---|---|-----|
| 1. Research and Development (R&D) | : | NIL |
| 2. Technology absorption, adoption and innovation | : | NIL |

C. Foreign Exchange Earnings and Out Go:

- | | | |
|---------------------------|---|-----|
| Foreign Exchange Earnings | : | NIL |
| Foreign Exchange Outgo | : | NIL |

PARTICULARS OF EMPLOYEES:

There is no employee who is falling under section 217 (2A). Therefore, the disclosures required to be made under section 217 (2A) of the Companies Act, 1956 and the rules made there under are not applicable.

CODE OF CONDUCT:

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director is given in Annexure.

AUDITORS:

Your directors propose the appointment of M/s. M. M. Reddy & Co. as statutory auditors to hold office until the conclusion of the next Annual General Meeting of the company.

CORPORATE GOVERNANCE:

As a listed company, necessary measures have been taken to comply with the listing agreements of Stock Exchanges. A report on Corporate Governance, along with a certificate of compliance from the Auditors, Forms part of this Report as Annexure.

ACKNOWLEDGEMENTS:

Your directors would like to express their grateful appreciation for assistance and co-operation received from clients, banks, investors, Government, other statutory authorities and all others associated with the company. Your directors also wish to place on record their deep sense of appreciation for the excellent contribution made by the employees at all levels, which enabled the company to achieve sustained growth in the operational performance during the year under review.

DECLARATION BY MANAGING DIRECTOR OF AFFIRMATION BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF COMPLIANCE WITH THE CODE OF CONDUCT:

The shareholders

I P. Obul Reddy, Managing Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

For and on Behalf of the Board
LORDVEN TECHNOLOGIES LIMITED

Sd/-

Place: Hyderabad
Date: 25.08.2011

P. Obul Reddy
Managing Director

CORPORATE GOVERNANCE REPORT**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Board of Directors of the company believes in and fully supports the principles of Corporate Governance. While striving to achieve the financial targets, the company seeks to follow the business principles and ethics and in all its dealings. The company has been regularly implementing the best practices of corporate governance in order to attain total transparency, accountability and integrity.

In accordance with the requirement of Stock Exchange Regulations and the provisions of the Listing Agreement, the compliance report on the corporate governance is reproduced here under:

Sl. No.	Name & Category No. of the Directors	No. of Directorships held in other public companies	No. of Memberships / Chairmanships held in Committees of other companies
1	Mr. P. Obul Reddy Promoter, Executive	3	NIL
2	Mr. A. Prabhakara Rao Promoter, Non-Executive	NIL	NIL
3	Mr. K. Ravi Babu Independent, Non-executive	NIL	NIL
4	Mr. R. Jagadeeswar Reddy, Independent, Non-executive	NIL	NIL

BOARD MEETINGS:

During the Financial Year 2010-2011, the Board of Directors met 7 times on the following dates: 25.04.2010, 23.07.2010, 25.08.2010, 19.10.2010, 13.11.2010, 28.12.2010 and 18.01.2011. The Attendance of Directors at these Board Meetings and at the previous Annual General Meeting was under:

Name of the Directors	No. of Board Meetings Held during the tenure of the Director	No. of Board Meetings attended by the Director	Whether present at the previous AGM
Mr. P. Obul Reddy	6	6	Yes
Mr. A. Prabhakara Rao	6	6	Yes
Mr.K.Ravi Babu	6	6	Yes
Mr.R. Jagadeeswar Reddy	6	6	Yes

2. AUDIT COMMITTEE:

The Audit Committee was formed by the Board of Directors. The terms of reference of this committee cover the matters specified in the clause 49 of the Listing Agreement and as may be referred to the committee by the Board of Directors of the company.

Composition, Name of Members and Chairman:

1. Mr. K. Ravi Babu : Chairman
(Independent - Non executive)
2. Mr. R. Jagadeeswar Reddy : Member
(Independent - Non executive)
3. Mr. A. Prabhakara Rao : Member
(Promoter - Non Executive)

and Statutory Auditors are invitees to the meeting. The total number of meetings held is 4 on 25.04.2010, 23.07.2010, 19.10.2010 and 18.01.2011.

MEETINGS AND ATTENDANCE DURING THE YEAR:

Name of the Member	No. of Meetings Held	Attendance
Mr. K. Ravi Babu	4	4
Mr. R Jagadeeswar Reddy	4	4
Mr. A. Prabhakara Rao	4	4

3. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:

Shareholders/Investors Grievance Committee was formed by the Board of Directors in terms of clause 49 of the Listing Agreement.

The Shareholders/Investors Grievance Committee was constituted with the following persons:

1. Mr. K. Ravi Babu : Chairman
2. Mr. R. Jagadeeswar Reddy : Member
3. Mr. A. Prabhakara Rao : Member

The committee looks into the matters relating to the shareholder's complaints, grievances, various requests in the nature of transfer, transmission, etc., and also overseeing the performance of the Registrar & Transfer agents to improve the quality of investor services.

4. INFORMATION ON GENERAL BODY MEETINGS:

The last 3 Annual General Meetings were held as under:

Year	Date	Time	Venue Resolutions	Special
2009-2010	30.09.2010	11.00 A.M	Flat No 5, Sai Master Apartments, V.R.Nagar, Hyderabad-500038	NO
2008-2009	30.09.2009	11.00 A.M.	Flat No 5, Sai Master Apartments, V.R.Nagar, Hyderabad-500038	NO
2007-2008	30.09.2008	11.00 A.M	Flat No 5, Sai Master Apartments, V.R.Nagar, Hyderabad-500038	NO

Special Resolution(s) passed

During the year, the Company has not passed any Special Resolution by way of Postal Ballot.

5. DISCLOSURES:

- i) There are no materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or their relatives etc. that may have potential conflicts with the interest of the company at large;
- ii) There are no penalties, strictures imposed on the Company by Stock Exchange or SEBI or other authority on any non-compliance of laws related to capital markets, during last three years;

6. MEANS OF COMMUNICATION:

The Management Discussion and Analysis (MD & A) is a part of the annual report. As per the listing agreement quarterly, half yearly, and yearly financial results of the Company are published in leading English and regional newspapers for public information apart from furnishing the information to the Stock Exchanges from time to time.

7. GENERAL SHAREHOLDER INFORMATION:**i) Annual General Meeting**

Date : 30.09.2011
 Time : 11.00AM
 Venue : Flat No 5, Sai Master Apartments,
 V.R.Nagar, Hyderabad-500038

Financial Calendar

Financial Reporting for 2010-2011 (tentative)	
The First Quarter results	30.07.2011
The Second quarter results	30.10.2011
The Third quarter results	30.01.2012
The Fourth quarter results	30.04.2012

- ii) **Book Closure** : 26.09.2011 to 30.09.2011 (Both dates inclusive).
- iii) Dividend payment: Not applicable as the Board has not recommended any Dividend for the year.

iv) Listing on Stock Exchanges:

Shares of the Company are listed on the following Stock Exchanges.

S. No. Name of the Stock Exchange

1. Madras Stock Exchange
2. Ahmedabad Stock Exchange

v) Market Price Data

There is no trading of scrip of the company on the Madras Stock Exchange and Ahmedabad Stock Exchange.

vi) Shareholding Pattern as on 31st March, 2008

Particulars	Category	No. of shares held	Percentage of shareholding
A	Shareholding of Promoter and promoter group		
1.	Promoters & Persons acting in concert	1975000	54.86
	Sub- Total A	1975000	54.86
B	Public Shareholding		
1.	Institutions	NIL	NIL
2.	Non- Institutions		
	a) Indian public and others	1625000	45.14
	Sub Total B	1625000	45.14
	Grand Total (A+B)	3600000	100.00

vii) Address for Correspondence:

The Shareholders may correspond with the Company for the redressal of their grievances, if any to the registered office of the company.

Flat No 5, Sai Master Apartments,V.R.Nagar,Hyderabad-500038

MANAGEMENT AND DISCUSSION & ANALYSIS REPORT**INDUSTRY STRUCTURE AND DEVELOPMENTS:**

The entire Indian IT services industry has been very challenging in the year 2010-2011. With customer IT spending staying mostly flat or showing a decline, the focus among client organizations was on driving efficiencies into their existing IT systems, and pursue projects that higher levels of guaranteed return on investments and quicker payback.

OPPORTUNITIES, THREATS & OUTLOOK:

Global companies are increasingly turning to offshore technology service providers in order to meet their need for high quality, cost competitive technology solutions. Technology companies have been outsourcing software research and development and related support functions to offshore technology service providers to reduce cycle time for introducing new products and services.

RISKS, CONCERNS & THREATS:

The main risks causing concern to the IT Industry and your Company as well are Economic slowdown, ability to attract and retain talent, withdrawal of Tax benefits, Currency Exchange risks, High Customer concentration, etc. Your Company has a Risk Assessment and minimization process, which is monitored on a periodic basis. Various risks that are closely monitored are Business risks i.e. Client concentration risk, geographical risk, competition risk and Financial risk mainly in the area of foreign currency fluctuations.

FINANCIAL AND OPERATIONAL PERFORMANCE:

Highlights of financial and operational Performance are given below:

Particulars	As at 31.03.2011 (Rs)
Income from Operations	6,06,56,220
Other incomes	-
Profit/(Loss) Before interest and tax	8,59,374
Interest and tax	2,68,237
Profit/(Loss) for the year	5,91,137

INTERNAL CONTROL SYSTEMS & ADEQUACY:

The Company has adequate internal control systems commensurate with the size and the nature of business of the Company.

The internal control system is constantly assessed and strengthened with tighter control procedures. The internal control systems ensure effectively of operations, compliance with internal policies and applicable laws and

regulations, protection of resources and assets, and accurate reporting of financial transactions.

The audit committee periodically reviews the adequacy and efficacy of the said internal control systems. All the issues relating to internal control systems are resolved by the audit committee.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE: Not Applicable

HUMAN RESOURCES, INDUSTRY DEVELOPMENT RELATIONS:

The Company recognizes the importance and contribution of the employees. Human Resource is viewed to be as one of the most important factor in the growth process with a view to cross further frontiers in business performance, the Company strives to organize training modules for understanding and improving the core skills of the employees. It is the continuous effort by the Company that helps to provide the right environment in order to maximize team efforts while exploiting individual growth potential in the right manner.

The Directors record their appreciation of the support and continued contribution of all employees towards the growth of the Company.

SENIOR MANAGEMENT DISCLOSURES:

The Company's senior management makes disclosures to the Board relating to all material financial and commercial transactions as when they occur.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factor.

Dear Shareholder,

Please find below the Managing Director certificate as per Clause 49(V) of the Listing Agreement:

MANAGING DIRECTOR CERTIFICATE

I, P. Obul Reddy, Managing Director of M/s Lordven Technologies Limited certify that:

1. We have reviewed the financial statements for the year and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements present a true and fair view of the state of affairs of the Company and of the results of the operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of Company's code of conduct.
3. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Auditors and Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weakness.
4. We indicate to the Auditors and to the Audit Committee:
 - (a) Significant changes in internal controls over financial reporting during the year;
 - (b) Significant changes in the accounting policies during the year;
 - (c) No instances of significant fraud of which we have become aware of and which involve the management or other employees who have significant role in the Company's internal control system over financial reporting.

However, during the year there were no such changes and instances.

For and on Behalf of the Board
LORDVEN TECHNOLOGIES LIMITED

Sd/-

P. Obul Reddy
Managing Director

Place: Hyderabad
Date: 25.08.2011

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

The company has obtained a certificate from the Auditors of the Company regarding compliances of conditions of Corporate Governance as stipulated in the Listing Agreement with the Stock Exchanges. The said Corporate Governance is as under:

CERTIFICATE

To

The members of

LORDVEN TECHNOLOGIES LIMITED

We have examined the compliance of conditions of Corporate Governance by LORDVEN TECHNOLOGIES LIMITED, for the period of 12 months ended on 31st March 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges of India.

The compliance conditions of Corporate Governance are the responsibility of the management. Our examination was limited to a review of the procedures and implementation there of, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

As required by the Guidance note issued by the Institute of Chartered Accountants of India, we have to state that the Company has certified that as on 31st March 2011 there were no investor grievances remaining unattended / pending for a period exceeding one month.

We further state that such compliance is neither an assurances as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For M. M. Reddy & CO.,
Chartered Accountants
Firm Regd. No. 010371S

Sd/-

M. Madhusudhana Reddy

Proprietor

Membership No.213077

Place: Hyderabad

Date: 25.08.2011

AUDITORS' REPORT

To

The Members,

LORDVEN TECHNOLOGIES LIMITED

1. We have audited the attached Balance Sheet of LORDVEN TECHNOLOGIES LIMITED, as at March 31, 2011, the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended ('the Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 ('the Act'), we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Accounts and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Accounts and Cash Flow Statement dealt with by this report comply with the

accounting standards referred to in sub-section (3C) of section 211 of the Act.

- (v) On the basis of written representations received from the directors, as on March 31, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
- (b) In the case of Profit and Loss Account, of the profit for the year ended on that date;
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date,

For M. M. Reddy & CO.,

Chartered Accountants

Firm Regd. No. 010371S

Sd/-

M. Madhusudhana Reddy

Proprietor

Membership No.213077

Place: Hyderabad

Date: 25.08.2011

ANNEXURE TO THE AUDITORS' REPORT

(referred to in paragraph 3 of our Report of even date to the Members of LORDVEN TECHNOLOGIES LIMITED for the year ended March 31, 2011)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) Fixed Assets have been physically verified by the management and, in our opinion, the verification is reasonable having regard to the size of the company and the nature of its assets. There is no discrepancies were noticed on such verification.
(c) No substantial part of fixed assets has been disposed off during the year.
2. (a) The inventory excluding materials in transit, has been physically verified by the management during the year. In our opinion, the frequency of the verification is reasonable.
(b) In our opinion, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of the its business.
(c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. In our opinion, the discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
3. (a) As informed the Company has neither granted nor taken any loans, secured or unsecured to and from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clauses 4(III) (b) to (d) of the Order are not applicable.
(b) The company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the re register maintained under Section 301 of the Companies Act, 1956. Accordingly, clauses 4(III) (f) and (g) of the Order are not applicable.
4. On the basis of checks carried out during the course of audit and as per explanations given to us, we are of the opinion that there are adequate internal control procedures commensurate with the size of the company and the nature of its business; for the purchases of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.

5. In our opinion and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered. Accordingly, clause (v)(b) of paragraph 4 of the Order is not applicable to the company.
 - b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rupees five lakhs in respect of each party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within the meaning of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under Section 209 (i) (d) of the Companies Act, 1956 in respect of the Company's nature of business.
9.
 - (a) According to the records of the company, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, Income Tax, Wealth Tax, Customs Duty, Excise duty, cess and other material statutory dues applicable at the end of the year for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no income tax, wealth tax, sales tax, customs duty and excise duty, which have not been deposited on account of any dispute. There were no dues on account of cess under 441A of the Companies Act 1956, since the date from which the aforesaid section comes into force has not yet been notified by the Central Government.
10. The company does not have the accumulated losses as at the end of the financial year and it has not incurred any cash losses during the current financial year covered by our audit and the immediately preceding financial year.

11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company did not have any outstanding dues to financial Institutions, Banks or Debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit or a nidhi / mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
14. The company is not in the business of dealing or trading in shares, securities, debenture and other instruments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
15. The company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The company has not taken term loans from banks.
17. Based on our examination of the balance sheet of the company as at 31.03.2011, since there is no loans availed by the company, the utilization of funds does not arise.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. During the year covered by our audit report, the Company does not have any outstanding debentures during the year.
20. During the year the company has not raised money through the Public Issue, the utilization of funds does not arise.
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For M. M. Reddy & CO.,

Chartered Accountants

Firm Regd. No. 010371S

Sd/-

M. Madhusudhana Reddy

Proprietor

Membership No.213077

Place: Hyderabad

Date: 25.08.2011

Balance Sheet As at 31st March, 2011

PARTICULARS	SCHEDULES	AS AT	AS AT
		31.03.2011	31.03.2010
		Rs.	Rs.
SOURCES OF FUNDS:			
Share Holders Funds:			
Share Capital	1	36,000,000	36,000,000
Reserves & Surplus	2	16,629,223	16,038,086
		<u>52,629,223</u>	<u>52,038,086</u>
APPLICATION OF FUNDS:			
Fixed Assets			
Gross Block	3	3,841,293	3,421,853
Less: Accumulated Depreciation		2,914,530	2,681,722
Net Block		<u>926,763</u>	<u>740,131</u>
Capital Work in Progress(Including Advances)		40,639,074	40,639,074
Investments			
In Equity shares (unquoted)	4	6,915,000	6,915,000
Current Assets, Loans & Advances:			
Sundry Debtors	5	22,997,298	21,756,416
Cash and Bank Balances	6	392,803	478,412
Loans and Advances	7	1,291,814	1,180,329
		<u>24,681,915</u>	<u>23,415,157</u>
Less: Current Liabilities & Provisions			
Current Liabilities	8	19,621,555	19,022,611
Provisions		808,913	581,706
		<u>20,430,468</u>	<u>19,604,317</u>
Net Current Assets		<u>4,251,447</u>	<u>3,810,840</u>
Deferred tax asset		<u>(103,061)</u>	<u>(66,959)</u>
		<u>52,629,223</u>	<u>52,038,086</u>
Accounting Policies & Notes on Accounts	11		

The schedules referred to above form an integral part of the balance sheet

The schedules referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date

For M. M. Reddy & CO.,
Chartered Accountants
Firm Regd. No. 010371S
Sd/-

M. Madhusudhana Reddy
Proprietor
Membership No. 213077
Date : 25.08.2011
Place: Hyderabad

For LORDVEN TECHNOLOGIES LIMITED
Sd/-
P. Obul Reddy
Managing Director

Sd/-
A. Prabhakara Rao
Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2008

PARTICULARS	SCHEDULES	AS AT	AS AT
		31.03.2008 Rs.	31.03.2007 Rs.
INCOME			
Software Development, Training and Consultancy		60,656,220	53,785,650
		60,656,220	53,785,650
EXPENDITURE:			
Operational Expenses	9	57,525,633	51,592,994
Administrative Expenses	10	2,043,333	1,332,726
Depreciation	3	232,808	174,220
		59,801,774	53,099,940
Net Profit / (Loss) for the Year		854,446	685,710
Provision for Taxation - Current Tax		227,207	171,098
- Deferred Tax		36,102	39,994
Net Profit / (Loss) after tax		591,137	474,618
Add: Profit / (Loss) B/f from Previous Year		16,038,086	15,563,468
Profit /(Loss) C/d to Balance Sheet		16,629,223	16,038,086
Earnings per share (basic / diluted)		0.16	0.13

12

The schedules referred to above form an integral part of the profit and loss account.

The schedules referred to above form an Integral part of the Profit & Loss Account.
This is the Profit & Loss Account referred to in our report of even date

For M. M. Reddy & CO.,
Chartered Accountants
Firm Regd. No. 010371S
Sd/-

M. Madhusudhana Reddy
Proprietor
Membership No. 213077
Date : 25.08.2011
Place: Hyderabad

For LORDVEN TECHNOLOGIES LIMITED
Sd/-
P. Obul Reddy
Managing Director

Sd/-
A. Prabhakara Rao
Director

**Schedules to the Balance Sheet and Profit and Loss account
as on 31-03-2011**

Particulars	As on 31.03.2011 Amounts in Rs.	As on 31.3.2010 Amounts in Rs.
SCHEDULE-1:		
SHARE CAPITAL:		
Authorised Capital:		
4000000 Equity shares of Rs.10/- each	<u>4,00,00,000</u>	<u>4,00,00,000</u>
Issued subscribed and paid up capital:		
3600000 Equity shares of Rs. 10/- each	<u>36,00,000</u>	36,00,000
	<u>36,00,000</u>	<u>36,00,000</u>
SCHEDULE -2:		
Reserves & Surplus		
Profit & Loss Account		
Opening Balance	16,038,086	15,563,468
Add: For the Period	<u>591,137</u>	474,618
	<u>16,629,223</u>	<u>16,038,086</u>
SCHEDULE -4:		
Investments		
Investments in Equity shares (unquoted)		
Investments are valued at cost		
Fastrak Finance Limited (80000 Shares of Rs.10/- Each)	800,000	800,000
Share application money	<u>6,115,000</u>	<u>6,115,000</u>
	<u>6,915,000</u>	<u>6,915,000</u>
SCHEDULE- 5:		
Sundry Debtors:		
Unsecured, considered good		
Debts Outstanding for more than six months	2,603,504	2,845,500
Debts Outstanding for less than six months	<u>20,393,794</u>	<u>18,910,916</u>
	<u>22,997,298</u>	<u>21,756,416</u>

Particulars	As on 31.03.2011 Amounts in Rs.	As on 31.3.2010 Amounts in Rs.
SCHEDULE-6:		
Cash and Bank Balances:		
Cash and Bank balances	392,803	478,412
	<u>392,803</u>	<u>478,412</u>
SCHEDULE- 7:		
Loans and Advances:		
Advances recoverable in cash or in kind or for value to be received	903,254	791,769
Other Deposits	375,000	375,000
Prepaid Expenses	13,560	13,560
	<u>1,291,814</u>	<u>1,180,329</u>
SCHEDULE - 8:		
Current Liabilities & Provisions:		
Liabilities:		
Sundry Creditors	19,238,825	18,700,771
Outstanding Liabilities	382,730	321,840
	<u>19,621,555</u>	<u>19,022,611</u>
Provisions:		
Provision for Income Tax (Net Off Advance Tax and Tax Deducted at Source)	808,913	581,706
Provision for Fringe Benefit tax (net of payment)	-	-
	<u>808,913</u>	<u>581,706</u>
SCHEDULE 9:		
Operational Expenses		
Direct Costs / development expenses	52,308,053	47,277,455
Salaries and Allowances	3,476,470	2,838,525
Computer Hire Charges	421,765	372,340
Faculty Fee	653,986	544,818
Computer Consumables	665,359	559,856
	<u>57,525,633</u>	<u>51,592,994</u>

Particulars	As on 31.03.2011 Amounts in Rs.	As on 31.3.2010 Amounts in Rs.
SCHEDULE 10 :		
Administrative Expenses:		
Directors Remuneration(Including sitting fee)	480,000	360,000
Communication Expenses	97,649	64,263
General Expenses	372,830	192,390
Rent, rates & taxes	41,627	65,293
Office Rent	48,000	42,832
Electricity Charges	24,839	21,548
Printing & Stationery	48,376	31,519
Repairs & Maintenance	37,264	62,837
Traveling & Conveyance	473,402	218,456
Office Maintenance	32,938	25,487
Board meeting expenses	23,829	12,152
Auditors remuneration	25,000	25,000
Finance charges	4,928	3,156
Advertisement	38,374	12,544
Books and periodicals	4,827	3,736
Business promotion expenses	289,450	191,513
	<u>2,043,333</u>	<u>1,332,726</u>

SCHEDULE - 3 : FIXED ASSETS

Description	GROSS BLOCK		Up to 31.03.2010	Depreciation For the Period	Total as on 31.03.2011	Net Block	
	As on 01.04.2010	Additions 31.03.2011				As on 31.03.2011	As on 31.03.2010
1. Computers	1,885,155	329,535	1,399,649	160,413	1,560,063	654,627	485,506
2. Furniture and Fixtures	781,794	56,965	576,521	53,093	629,614	209,145	205,273
3. Plant and Equipments	373,404	32,940	324,052	19,301	343,354	62,990	49,352
4. Vehicles	381,500	-	381,500	-	381,500	-	-
Total	3,421,853	419,440	2,681,722	232,808	2,914,530	926,763	740,131
Previous Year	3,102,107	319,746	2,507,502	174,220	2,681,722	740,131	594,605

SCHEDULE: 12**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS:****I. SIGNIFICANT ACCOUNTING POLICIES:****1. Basis of preparation of financial statements**

The accompanying financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on the basis of a going concern basis, while revenue, expenses, assets and Liabilities accounted/recognized on accrual basis. GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI), the provisions of the Companies Act, 1956. Accounting policies are consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. Use of Estimates

The preparation of financial statements in conformity with GAAP requires Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed assets and intangible assets.

3. Revenue Recognition

On time-and material contracts, revenue is recognized as the related services are rendered. Provision for estimated losses, if any on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates. Annual Technical Services revenue and revenue from fixed price maintenance contracts are recognized proportionately over the period in which services are rendered. Revenue from the sale of products for software applications is recognized on transfer of the products to the users.

4. Expenditure

Expenses are accounted on accrual basis and provisions are made for all known losses and liabilities.

5. Fixed Assets, intangible assets and capital work-in-progress

Fixed Assets are stated at cost, less accumulated depreciation. All direct costs are capitalized until fixed assets are ready for use including taxes, duties, freight and other incidental expenses relating to acquisition and installation. Capital work-in-progress comprises outstanding advances paid to acquire fixed assets, and the cost of fixed assets that are not yet ready for their intended use at the balance sheet date. Intangible assets are recorded at the consideration paid for acquisition.

6. Depreciation and amortization

Depreciation on fixed assets is applied on straight-line method, pro-rata for the period of usage, in accordance with the rates prescribed under schedule XIV of the Companies Act, 1956.

7. Employee Benefits

Liability for employee benefits, both short term and long term, for present and past services which are due as per the terms of employment are recorded in accordance with Accounting Standard (AS) 15 (revised) "Employee Benefits " issued by the Institute of Chartered Accountants of India.

8. Investments

Long term quoted investments are stated at cost & all other investments are carried at lower of cost or fair value.

9. Taxes on Income

Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period in which related revenue and expenses arise.

Deferred tax is recognized on timing difference being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

10. Earnings per Share

In determining earnings per share, the company considers the net profit after tax expense. The number of shares used in computing basic earnings per share is the weighted average shares outstanding during the period.

11. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the company are segregated

II. NOTES ON ACCOUNTS:

All amounts in the financial statements are presented in Rupees and as otherwise stated.

1. Contingent Liabilities : Nil
2. Foreign Exchange earned and outgo

Earnings:

FOB Value of Exports : Nil

Out Go:

CIF Value of Capital Goods : Nil

3. Dues to micro and small-scale industrial undertakings

As at March 31, 2011 as per available information with the company, there are no dues to small scale Industrial Undertakings.

4. Buildings were not registered in the name of the company and hence the same was shown under capital work under progress.

5. **Directors Remuneration:** Rs. 4,80,000/- (Last Year: 3,60,000/-)

6. **Segmental reporting:**

The segmental reporting disclosure as required under Accounting Standard- 17 is not required since there are no reportable business and geographical segments.

7. **Auditors remuneration :** Rs.25,000/- (Last Year: Rs.25000/-)

8. Taxes

Particulars	As on 31.03.2011 Amounts in Rs.	As on 31.3.2010 Amounts in Rs.
Provision for Current Tax	2,27,207	1,71,098
Provision for Differed Tax Liability (Asset)	36,102	39,994
Others	0.00	0.00

9. Confirmation of balances has not been received from some of the Creditors, Debtors and for Loans & Advances, which are subject to reconciliation. Provision for doubtful debts, if any, in respect of the above and the consequential adjustment, if any, whether of revenue nature or otherwise, will be dealt accordingly.
10. In determining earnings per share, the company considers the net profit after tax and includes the past tax effect of any extraordinary/exceptional item.

Particulars	As on 31.03.2011 Amounts in Rs.	As on 31.3.2010 Amounts in Rs.
Weighted average number of shares outstanding	36,00,000	36,00,000
Face value of equity shares	10	10
Net Profit after tax	5,91,137	4,74,618
Earnings per share (Basic/Diluted)	0.16	0.13

11. The previous year figures have been recast / restated, wherever necessary, to the current year's classification.
12. Financial figures have been rounded off to nearest rupee.

Schedules 1 to 12 form part of Balance Sheet and Profit and Loss account have been authenticated.

This is the Balance Sheet referred to in our report of even date

For M. M. Reddy & CO.,
Chartered Accountants
Firm Regd. No. 010371S
Sd/-

M. Madhusudhana Reddy
Proprietor
Membership No. 213077
Date : 25.08.2011
Place: Hyderabad

For LORDVEN TECHNOLOGIES LIMITED

Sd/-
P. Obul Reddy
Managing Director

Sd/-
A. Prabhakara Rao
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2011

PARTICULARS	As on 31.03.2011 Amounts in Rs.	As on 31.3.2010 Amounts in Rs.
CASH FROM OPERATING ACTIVITIES		
Net Profit Before tax	854,446	685,710
Adjustments		
Depreciation	232,808	174,220
Preliminary Expences Written Off	-	-
Less: Income Tax Paid	-	-
Operating Profit Before Working Capital Changes	1,087,254	859,930
Adjustment for:		
Trade and Receivables	(1,240,882)	(3,817,715)
Loans & Advances	(111,485)	(279,996)
Current liabilities	598,944	3,928,078
Cash generated from Operating Activities(A)	333,831	690,297
CASH FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	-	-
Purchase of Investments	-	-
Net Cash flow from Investing Activities(B)	-	-
CASH FROM FINANCING ACTIVITIES:		
Proceeds from share capital	-	-
Net Cash flow from Financing Activities (C)	-	-
Net Increase/(Decrease) in		
Cash and Cash Equalents (A+B+C)	333,831	690,297
Cash & Cash Equivalents (Opening Balance)	478,412	448,100
Cash & Cash Equivalents (Closing Balance)	392,803	478,412

This is the Cash Flow Statement referred to in our report of even date

For M. M. Reddy & CO.,
Chartered Accountants
Firm Regd. No. 010371S
Sd/-

M. Madhusudhana Reddy
Proprietor
Membership No. 213077
Date : 25.08.2011
Place: Hyderabad

For LORDVEN TECHNOLOGIES LIMITED
Sd/-
P. Obul Reddy
Managing Director

Sd/-
A. Prabhakara Rao
Director

Lordven Technologies Limited

Flat No 5, Sai Master Apartments,
V.R.Nagar, Hyderabad-500038

PROXY FORM

Folio No: _____ Dp ID: _____ Client ID: _____

I/We _____ of _____

In the District of _____ being a member/members of the above named company, hereby appoint Mr/Mrs/Ms _____ in the District of _____ as my/our Proxy to attend and vote for me /us on my/ our behalf at the 19th Annual General Meeting of the Company to be held at Flat No 5, Sai Master Apartments, V.R.Nagar, Hyderabad-500038 at 11.00 A.M on 30.09.2011 and at any adjournment thereof.

Signed this _____ day of _____ 2011

Address _____

Note: The proxy form duly signed completed must be signed deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting. A proxy need not be a member

Lordven Technologies Limited

Flat No 5, Sai Master Apartments, V.R.Nagar, Hyderabad-500038

ATTENDANCE SLIP

I hereby record my presence at the 19th Annual General Meeting of the Company at the registered office on

Day & Date	Venue	Time
Monday & 30.09.2011	Flat No 5, Sai Master Apartments, V.R.Nagar, Hyderabad - 500038	11.00 AM

Name of the share holder /proxy	Folio No./DP No. of shares & Client id
---------------------------------	--

Member's/Proxy Signature

Note: Shareholder/Proxy holder wishing to attend the meeting must bring the Admission Slip and hand over at the entrance duly signed.

NO GIFTS WILL BE DISTRIBUTED AT THE AGM

PRINTED MATTER
BOOK-POST

If undelivered, please return to :

LORDVEN TECHNOLOGIES LIMITED

Flat No 5, Sai Master Apartments,
V.R.Nagar, Hyderabad - 500 038.